



United States Senate
**Committee on Small Business
and Entrepreneurship**

Olympia J. Snowe, Chair

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For Immediate Release

Contact: Chris Chichester

**SNOWE, VITTER URGE APPLICATION DEADLINE EXTENSION FOR
DISASTER LOANS**

FEMA, SBA Extended Deadlines Will Keep Federal Resources Available

(Washington, DC) – In order to ensure that sufficient federal resources are available in the Gulf Region, U.S. Senator Olympia J. Snowe (R-Maine) and U.S. Senator David Vitter (R-Louisiana), the Chair and Member, respectively, of the United States Senate Committee on Small Business and Entrepreneurship, today urged the SBA and the Federal Emergency Management Agency (FEMA) to extend the application deadline for disaster assistance in the areas devastated by Hurricane Katrina and Hurricane Rita. Unless the deadline is extended, many individuals and businesses, who are just beginning to rebuild, may not be able to be considered for loan assistance or other relief.

In a letter to Small Business Administration Administrator Hector Barreto and FEMA Acting Under Secretary for Emergency Preparedness and Response R. David Paulison, Snowe and Vitter wrote:

“As the Chair and Member of the Senate Committee on Small Business and Entrepreneurship, we are writing regarding the upcoming application deadlines for Federal disaster assistance in the areas devastated by Hurricane Katrina and Hurricane Rita. We urge you to extend the deadline of October 28, 2005 for Hurricane Katrina and the deadline of November 23, 2005 for Hurricane Rita to ensure that the appropriate Federal resources continue to remain available.

“The fact is that small businesses are in desperate need of assistance and face extraordinary reconstruction and rebuilding challenges. It is essential that we use every resource available to help the region not only recover, but prosper again. That is why, we recently introduced the Small Business Hurricane Relief and Reconstruction Act of 2005 (S.1807), which, among other things, would extend the deadline for applying for Federal disaster loans until one year after the President designates the applicants’ county or parish as a disaster area as a result of Hurricane Katrina or Hurricane Rita.

“The Federal Emergency Management Agency (FEMA) and the Small Business Administration (SBA) are at the forefront of the Hurricane relief efforts in the Gulf region. Over the next year, FEMA and the SBA will play an essential role in the rebuilding of local economies and communities. The Administration’s Federal Disaster programs are critical for rebuilding homes and businesses, providing employment for the hundreds of thousands who have been temporarily

displaced, and redeveloping the devastated communities.”

After learning that few SBA loan applications had been approved, Senator Snowe asked the Internal Revenue Service (IRS) to locate personnel alongside small business personnel in the Gulf region so tax documents required for approval can be expedited to SBA loan-processing departments. During a Senate Finance Committee hearing yesterday, Snowe pressed Treasury Secretary John W. Snow whether IRS agents could be assigned to Small Business Administration offices in the region so tax documents required for approval can be expedited to SBA loan-processing departments. The Senator has also asked the SBA to provide her with daily updates of the status of loan applications, including how many have been approved, how many have been received, and the average time between an application’s completion and its approval.

Last month the Senate approved by a vote of 96-0 a Snowe amendment to the Commerce-Justice-Science Appropriations bill to provide \$595 million to aid Hurricane Katrina’s victims. Last week Senator Snowe introduced the Small Business Hurricane Relief and Reconstruction Act of 2005, legislation that builds on her previous proposal to provide relief to hurricane victims. The Act is co-sponsored by Ranking Member John Kerry (D-MA), Senator David Vitter (R-LA), Senator Mary Landrieu (D-LA), Senator Jim Talent (R-MO), Senator Edward Kennedy (D-MA), Senator John Cornyn (R-TX) and Senator Evan Bayh (D-IN).

A copy of the Snowe-Vitter letter is attached.